



H.R. 4986 – National Defense Authorization Act for FY2008

FLOOR SITUATION

H.R. 4986 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage.

H.R. 4986 is a revised version of H.R. 1585, the National Defense Authorization Act for Fiscal Year 2008, which the President vetoed on December 28, 2007. On January 15, 2008, H.R. 1585 was referred back to the House Committee on Armed Services in order to dispense with the President's veto. The Committee altered the provision that prompted the Presidential veto and reintroduced the measure. H.R. 4986 is expected to be considered on the floor on January 16, 2008.

SUMMARY

H.R. 4986 provides a presidential waiver for Section 1083 of the National Defense Authorization Act for FY2008 (NDAA). Section 1083 amends the Foreign Sovereign Immunities Act to allow U.S. nationals, members of the Armed Services, and U.S. Government employees and contractors to sue foreign states that are designated as state sponsors of terror for personal injury or death.

The modified version grants the President a waiver specific to Iraq if it is necessary for U.S. national security and for reconstruction and democracy efforts in Iraq. Additionally, the President must determine that Iraq remains a reliable ally and partner in combating terrorism.

This modified bill also contains a Sense of Congress stating that the Administration "should work with the Government of Iraq on a state-to-state basis to ensure compensation for any meritorious claims based on terrorist acts committed by the Saddam Hussein regime against individuals who were United States nationals or members of the United States Armed Forces at the time of those terrorist acts and whose claims cannot be addressed in courts in the United States due to the exercise of the waiver authority..."

In addition, the modified legislation retroactively provides for the full 3.5 percent pay increase for military members that was included in H.R. 1585 and scheduled to take effect on January 1, 2008. While a 3 percent raise went into effect on January 1 without the legislation, H.R. 4986 is needed to permit the full 3.5 percent increase. The bill also grants retroactive authority to pay twenty-six military bonuses and special pays as well as expanded recruit referral bonuses. This provision was included in H.R. 1585.

The modified legislation extends the waiver of limits on federal civilian total compensation up to \$200,000 for employees serving overseas within the area of responsibility of the United States Central Command for one year. The waiver and increased pay will be retroactively authorized to January 1, 2008. This provision was also included in H.R. 1585.

BACKGROUND

On December 28, 2007, the President vetoed the National Defense Authorization Act for fiscal year 2008 (H.R. 1585).

According to the White House, H.R. 1585 contains a provision that could "risk imposing financially devastating hardship on Iraq that will unacceptably interfere with the political and economic progress everyone agrees is critically important to bringing our troops home. Section 1083 of the NDAA amends the Foreign Sovereign Immunities Act, which establishes rules on how foreign countries may be sued



LEGISLATIVE DIGEST

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under U.S. law. The amendments would dramatically change these rules and potentially invite foreign governments to take reciprocal action allowing suits to proceed against the United States even for legitimate government activities. Among other things, Section 1083 would allow plaintiffs' lawyers pursuing Iraq for Saddam-era acts of terrorism to freeze Iraq's assets in the amount of damages claimed in their lawsuits, and would permit the relitigation of billions of dollars of lawsuits against Iraq that have already been dismissed by our courts. At the same time, by subjecting the democratically elected Government of Iraq to this liability, the provision would imperil billions of dollars of Iraqi assets at a crucial juncture in that Nation's reconstruction efforts and undermine the foreign policy and commercial interests of the United States."

Below is a vote summary on agreeing to the conference report to H.R. 1585:

	<u>YEAS</u>	<u>NAYS</u>	PRES	<u>NV</u>
DEMOCRATIC	182	45		5
REPUBLICAN	188	4		7
INDEPENDENT				
TOTALS	370	49		12

For additional information on the Conference Report to accompany H.R. 1585 please refer to the [Legislative Digest](#) for this legislation.

STAFF CONTACT

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